Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

(Transmittal No. 15-56)

36(b)(1) Arms Sales Notification

AGENCY: Department of Defense, Defense Security Cooperation Agency.

ACTION: Notice.

SUMMARY: The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.

FOR FURTHER INFORMATION CONTACT: Sarah A. Ragan or Heather N. Harwell,

DSCA/LMO, (703) 604-1546/ (703) 607-5339.

The following is a copy of a letter to the Speaker of the House of Representatives,

Transmittal 15-56 with attached Policy Justification and Sensitivity of Technology.

Dated: November 23, 2015.

Aaron Siegel, Alternate OSD Federal Register Liaison Officer, Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY 201 12TH STREET SOUTH, 8TE 203 ARLINGTON, VA 22202-5408

The Honorable Paul D. Ryan Speaker of the House U.S. House of Representatives Washington, DC 20515 NOV 0 4 2015

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control

Act, as amended, we are forwarding herewith Transmittal No. 15-56, concerning the Department
of the Navy's proposed Letter(s) of Offer and Acceptance to the Government of Kuwait for
defense articles and services estimated to cost \$115 million. After this letter is delivered to your
office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,

J. W. Rixey Vice Admiral, USN

Director

Enclosures:

- 1. Transmittal
- 2. Policy Justification
- 3. Sensitivity of Technology
- 4. Regional Balance (Classified Document Provided Under Separate Cover)



Transmittal No. 15-56

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b)(1) of the Arms Export Control Act, as amended

- (i) <u>Prospective Purchaser</u>: The Government of Kuwait
- (ii) Total Estimated Value:

Major Defense Equipment* \$ 50 million
Other \$ 65 million
TOTAL \$ 115 million

(iii) <u>Description and Quantity or Quantities of Articles or Services Under</u> Consideration for Purchase:

Major Defense Equipment (MDE):

Fourteen (14) AN/AAQ-33 Sniper Advanced Targeting Pods (ATP)

Non-MDE items included in this request are associated equipment, spares, accessories, and airworthiness certification. The sale will include the integration of the ATPs on the purchaser's F/A-18 aircraft along with improvements in the on-board mission computer software suites. Also included in this request are systems integration and testing, software development/integration, test sets, support equipment, spares, repair parts, maintenance and pilot training, publications and technical documents, U.S. Government and contractor technical assistance, and other related elements of logistics, engineering and program support.

- (iv) <u>Military Department</u>: Navy and Air Force (XX-P-LCI)
- (v) <u>Prior Related Cases, if any: None</u>
- (vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid:
 Offset agreements associated with this proposed sale are expected and will be determined during negotiations between the purchaser and contractor.
- (vii) <u>Sensitivity of Technology Contained in the Defense Article or Defense</u> Services Proposed to be Sold: See Attached Annex
- (viii) <u>Date Report Delivered to Congress</u>: 04 NOV 2015

^{*}as defined in Section 47(6) of the Arms Export Control Act

POLICY JUSTIFICATION

<u>The Government of Kuwait – Sniper Advanced Targeting Pods (ATP)</u>

The Government of Kuwait has requested a possible sale of:

Major Defense Equipment (MDE):

Fourteen (14) AN/AAQ-33 Sniper Advanced Targeting Pods (ATP)

Non-MDE items included in this request are associated equipment, spares, accessories, and airworthiness certification. The sale will include the above system integration on the purchaser's F/A-18 aircraft along with improvements in the on-board mission computer software suites. Operational support for these modifications will be provided through upgrades. Also included in this request are systems integration and testing, software development/integration, test sets, support equipment, spares, repair parts, maintenance and pilot training, publications and technical documents, U.S. Government and contractor technical assistance, and other related elements of logistics, engineering and program support. The estimated cost of MDE is \$50 million. The total estimated cost is \$115 million.

Kuwait has requested the Sniper ATP due to its compatibility with the latest precision-guided weapons and capability of detecting, identifying, and engaging multiple moving and fixed targets in air-to-air and air-to-ground engagements. Integration of the Sniper ATP on Kuwait's F/A-18 aircraft would enhance its ability to protect itself against possible aggression from foreign forces.

This proposed sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a friendly country that has been, and continues to be, an important force for political stability and economic progress in the Middle East. Kuwait plays a large role in U.S. efforts to advance stability in the Middle East, providing basing, access, and transit for U.S. forces in the region.

The proposed sale of this equipment, services, and support will not affect the basic military balance in the region.

The principal contractor will be Lockheed Martin Missile and Fire Control, Orlando, Florida.

Offset agreements associated with this proposed sale are expected and will be determined during negotiations between the purchaser and contractor.

There will be no adverse impact on U.S. defense readiness as a result of this

proposed sale.

Transmittal No. 15-56

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b)(1) of the Arms Export Control Act

Annex Item No. vii

(vii) Sensitivity of Technology:

- 1. The hardware and software being purchased is being used to upgrade the customer country's existing F/A-l 8C/D Hornet aircraft. Description and classification of the hardware and software being purchased are detailed in the following paragraphs.
- 2. The Sniper Advanced Targeting Pod (ATP), designated AN/AAQ-33, provides positive target identification, autonomous tracking, coordinate generation, and precise weapons guidance from extended standoff ranges. The latest version of the Sniper ATP provides an enhanced capability using new sensors, a two-way data link, advanced processors and automated non-traditional intelligence, surveillance and reconnaissance modes.
- 3. A software upgrade to the Kuwait F/A-18 Mission Computer Operational Flight Program (OFP) software will be required to ensure that flight crews receive full capability of the Sniper ATP. The OFP will be upgraded at the Naval Air Warfare Center Weapons Division at China Lake, California, as part of continuing support of the Kuwait Air Force F/A-18 program.
- 4. The Sniper ATP will provide classified SECRET data to the Kuwait Air Force. Some technical information is classified SECRET because it describes the limitations and effectiveness of both the aircraft and its capabilities.
- 5. If a technologically advanced adversary were to obtain knowledge of the specific hardware or software in this proposed sale, the information could be used to develop countermeasures which might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.
- 6. A determination has been made that the recipient country can provide the same degree of protection for the classified and sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification. All defense articles and services listed in this transmittal have been authorized for release and

export to the Government of Kuwait.

[FR Doc. 2015-30185 Filed: 11/25/2015 8:45 am; Publication Date: 11/27/2015]